



## **SMALL BUSINESS ADMINISTRATION**

### **13 CFR Ch. I**

#### **Semiannual Regulatory Agenda**

**AGENCY:** U.S. Small Business Administration (SBA).

**ACTION:** Semiannual regulatory agenda.

#### **SUMMARY:**

This semiannual Regulatory Agenda (Agenda) is a summary of current and projected regulatory and deregulatory actions and completed actions of the Small Business Administration (SBA). This summary information is intended to enable the public to be more aware of, and effectively participate in, SBA's regulatory and deregulatory activities. Accordingly, SBA invites the public to submit comments on any aspect of this Agenda.

#### **FOR FURTHER INFORMATION CONTACT:**

##### *General*

Please direct general comments or inquiries to Imelda A. Kish, Law Librarian, U.S. Small Business Administration, 409 Third Street, SW, Washington, DC 20416, (202) 205-6849, [imelda.kish@sba.gov](mailto:imelda.kish@sba.gov).

##### *Specific*

Please direct specific comments and inquiries on individual regulatory activities identified in this Agenda to the individual listed in the summary of the regulation as the point of contact for that regulation.

#### **SUPPLEMENTARY INFORMATION:**

The Regulatory Flexibility Act (RFA) requires SBA to publish in the Federal Register a semiannual regulatory flexibility agenda describing those Agency rules that are likely to have a significant economic impact on a substantial number of small entities (5 U.S.C. 602). The summary information published in the Federal Register is limited to those rules. Additional information regarding all of the rulemakings SBA expects to consider in the next 12 months is included in the Federal Government's complete Regulatory Agenda, which will be available online at [www.reginfo.gov](http://www.reginfo.gov) in a format that offers users enhanced ability to obtain information about SBA's rules.

SBA is fully committed to implementing the Administration's regulatory reform policies, as established by Executive Order 13771, Reducing Regulation and Controlling Regulatory Costs (January 30, 2017) and Executive Order 13777, Enforcing the Regulatory Reform Agenda (February 24, 2017). In order to fully implement the goal of these executive orders, SBA seeks feedback from the public in identifying any SBA regulations affected parties believe impose unnecessary burdens or costs that exceed their benefits; eliminate jobs or inhibit job creation; or are ineffective or outdated.

Dated: July 27, 2018.

**NAME: Linda E. McMahon,**  
*Administrator.*

#### Small Business Administration—Proposed Rule Stage

Sequence Number	Title	Regulation Identifier Number
370	Small Business Development Center Program Revisions	3245-AE05
371	Small Business Size Standards; Alternative Size Standard for 7(a), 504, and Disaster Loan Programs	3245-AG16
372	Small Business HUBZone Program and Government Contracting Programs <b>(Reg Plan Seq No. 157)</b>	3245-AG38
373	Women-Owned Small Business and Economically Disadvantaged Women-Owned Small Business—Certification <b>(Reg Plan Seq No. 158)</b>	3245-AG75
374	National Defense Authorization Acts of 2016 and 2017, RISE After Disaster Act of 2015, and Other Small Business	3245-AG86

	Government Contracting Amendments	
375	Small Business Size Standards: Educational Services; Health Care and Social Assistance; Arts, Entertainment and Recreation; Accommodation and Food Services; Other Services	3245-AG88
376	Small Business Size Standards: Agriculture, Forestry, Fishing and Hunting; Mining, Quarrying, and Oil and Gas Extraction; Utilities; Construction	3245-AG89
377	Small Business Size Standards: Transportation and Warehousing; Information; Finance and Insurance; Real Estate and Rental and Leasing	3245-AG90
378	Small Business Size Standards: Professional, Scientific and Technical Services; Management of Companies and Enterprises; Administrative and Support, Waste Management and Remediation Services	3245-AG91
379	Streamlining and Modernizing Certified Development Company Program (504 Loan Program) Corporate Governance Requirements	3245-AG97
380	Streamlining and Modernizing the 7(a), Microloan, and 504 Loan Programs to Reduce Unnecessary Regulatory Burden	3245-AG98

References in boldface appear in The Regulatory Plan in part II of this issue of the **Federal Register**.

## Small Business Administration—Final Rule Stage

Sequence Number	Title	Regulation Identifier Number
381	Small Business Timber Set-Aside Program	3245–AG69

### Small Business Administration—Completed Actions

Sequence Number	Title	Regulation Identifier Number
382	Ownership and Control of Service-Disabled Veteran-Owned Small Business Concerns	3245–AG85

Small Business Administration (SBA)	Proposed Rule Stage

### 370. SMALL BUSINESS DEVELOPMENT CENTER PROGRAM REVISIONS

**EO 13771 Designation:** Other

**Legal Authority:** 15 U.S.C. 634(b)(6); 15 U.S.C. 648

**Abstract:** Updates the Small Business Development Center (SBDC) program regulations by proposing to amend: (1) procedures for approving applications for new Host SBDCs; (2) approval procedures for travel outside the continental U.S. and U.S. territories; (3) procedures and requirements regarding findings and disputes resulting from financial exams, programmatic reviews, accreditation reviews, and other SBA

oversight activities; (4) requirements for new or renewal applications for SBDC grants, including electronic submission through the approved electronic Government submission facility; (5) procedures regarding the determination to affect suspension, termination or non-renewal of an SBDC's cooperative agreement; and (6) provisions regarding the collection and use of the individual SBDC client data.

**Timetable:**

Action	Date	FR Cite
ANPRM	04/02/15	80 FR 17708
ANPRM Comment Period End	06/01/15	
NPRM	03/00/19	

**Regulatory Flexibility Analysis Required:** Yes

**Agency Contact:** Bruce D. Purdy, Deputy Associate Administrator for Small Business Development Centers, Small Business Administration, 409 Third Street SW, Washington, DC 20416

Phone: 202 205-7532

Email: [bruce.purdy@sba.gov](mailto:bruce.purdy@sba.gov)

**RIN:** 3245-AE05

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**371. SMALL BUSINESS SIZE STANDARDS; ALTERNATIVE SIZE STANDARD FOR 7(A), 504, AND DISASTER LOAN PROGRAMS**

**EO 13771 Designation:** Other

**Legal Authority:** Pub. L. 111-240, sec. 1116

**Abstract:** SBA will request public comment on options to amend its size eligibility criteria for Business Loans, certified development company (CDC) loans under title V of the Small Business Investment Act (504) and economic injury disaster loans (EIDL). For the SBA 7(a) Business Loan Program and the 504 program, the eventual amendments will provide an alternative size standard for loan applicants that do not meet the small business size standards for their industries. The Small Business Jobs Act of 2010 (Jobs Act) established alternative size standards that apply to both of these programs until SBA's Administrator establishes other alternative size standards. For the disaster loan program, the amendments will provide an alternative size standard for loan applicants that do not meet the Small Business Size Standard for their industries. SBA loan program alternative size standards do not affect other Federal Government programs, including Federal procurement.

**Timetable:**

Action	Date	FR Cite
ANPRM	03/22/18	83 FR 12506
ANPRM Comment Period End	05/21/18	
NPRM	12/00/18	

**Regulatory Flexibility Analysis Required:** Yes

**Agency Contact:** Dr. Khem Raj Sharma, Chief, Office of Size Standards, Small Business Administration,  
409 Third Street SW, Washington, DC 20416

Phone: 202 205–7189

Fax: 202 205–6390

Email: khem.sharma@sba.gov

**RIN:** 3245–AG16

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### **372. SMALL BUSINESS HUBZONE PROGRAM AND GOVERNMENT CONTRACTING PROGRAMS**

**Regulatory Plan:** This entry is Seq. No. 157 in part II of this issue of the **Federal Register**.

**RIN:** 3245–AG38

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### **373. WOMEN–OWNED SMALL BUSINESS AND ECONOMICALLY DISADVANTAGED WOMEN–OWNED SMALL BUSINESS—CERTIFICATION**

**Regulatory Plan:** This entry is Seq. No. 158 in part II of this issue of the **Federal Register**.

**RIN:** 3245–AG75

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### **374. NATIONAL DEFENSE AUTHORIZATION ACTS OF 2016 AND 2017, RISE AFTER DISASTER ACT OF 2015, AND OTHER SMALL BUSINESS GOVERNMENT CONTRACTING AMENDMENTS**

**EO 13771 Designation:** Other

**Legal Authority:** 15 U.S.C. 637(d)(17); Pub. L. 114–328, sec. 1811, sec. 1821; Pub. L. 114–92, sec. 863; Pub. L. 114–88, sec. 2108

**Abstract:** Section 1811 of the of the National Defense Authorization Act (NDAA) for Fiscal Year 2017, Public Law 114-328, Dec. 23, 2016, (NDAA) of 2017 limits the scope of review of Procurement Center Representatives for certain Department of Defense procurements performed outside of the United States. Section 1821 of the NDAA of 2017 establishes that failure to act in good faith in providing timely subcontracting reports shall be considered a material breach of the contract. Section 863 of the NDAA for FY 2016, Public Law 114-92, Nov. 25, 2015, establishes procedures for the publication of acquisition strategies if the acquisition involves consolidation or substantial bundling. SBA also intends to request comment on various proposed changes requested by industry or other agencies, including those pertaining to exclusions from calculating compliance with the limitations on subcontracting, an agency's

ability to set aside orders under set-aside contracts, and a contracting officer's authority to request reports on a prime contractor's compliance with the limitations on subcontracting. Section 2108 of Public Law 114-88 provides agencies with double credit when they award to a local small business in a disaster area.

**Timetable:**

Action	Date	FR Cite
NPRM	10/00/18	

**Regulatory Flexibility Analysis Required:** Yes

**Agency Contact:** Kenneth Dodds, Director, Office of Policy, Planning and Liaison, Small Business Administration, 409 Third Street SW, Washington, DC 20416

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Fax: 202 481-2950

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**RIN:** 3245-AG86

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**375. SMALL BUSINESS SIZE STANDARDS: EDUCATIONAL SERVICES; HEALTH CARE AND SOCIAL ASSISTANCE; ARTS, ENTERTAINMENT AND RECREATION; ACCOMMODATION AND FOOD SERVICES; OTHER SERVICES**

**EO 13771 Designation:** Other

**Legal Authority:** 15 U.S.C. 632(a)

**Abstract:** The Small Business Jobs Act of 2010 (Jobs Act) requires SBA to conduct every five years a detailed review of all size standards and to make appropriate adjustments to reflect market conditions. As part of the second five-year review of size standards under the Jobs Act, in this proposed



rule, SBA will evaluate size standards for all industries in North American Industry Classification System (NAICS) Sector 61 (Educational Services), Sector 62 (Health Care and Social Assistance), Sector 71 (Arts, Entertainment and Recreation), Sector 72 (Accommodation and Food Services), and Sector 81 (Other Services) and make necessary adjustments to size standards in these sectors. This is one of a series of proposed rules that will examine groups of NAICS sectors. SBA will apply its Size Standards Methodology to this proposed rule.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/18	

**Regulatory Flexibility Analysis Required:** Yes

**Agency Contact:** Dr. Khem Raj Sharma, Chief, Office of Size Standards, Small Business Administration,  
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Fax: 202 205–6390

Email: khem.sharma@sba.gov

**RIN:** 3245–AG88

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**376. SMALL BUSINESS SIZE STANDARDS: AGRICULTURE, FORESTRY, FISHING AND HUNTING;  
MINING, QUARRYING, AND OIL AND GAS EXTRACTION; UTILITIES; CONSTRUCTION**

**EO 13771 Designation:** Other

**Legal Authority:** 15 U.S.C. 632(a)

**Abstract:** The Small Business Jobs Act of 2010 (Jobs Act) requires SBA to conduct every five years a detailed review of all size standards and to make appropriate adjustments to reflect market conditions. As part of the second five-year review of size standards under the Jobs Act, in this proposed rule, SBA will evaluate each industry that has a receipts-based standard in North American Industry Classification System (NAICS) Sector 11 (Agriculture, Forestry, Fishing and Hunting), Sector 21 (Mining, Quarrying, and Oil and Gas Extraction), Sector 22 (Utilities), and Sector 23 (Construction), and make necessary adjustments to size standards in these sectors. This is one of a series of proposed rules that will examine groups of NAICS sectors. SBA will apply its Size Standards Methodology to this proposed rule.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/18	

**Regulatory Flexibility Analysis Required:** Yes

**Agency Contact:** Dr. Khem Raj Sharma, Chief, Office of Size Standards, Small Business Administration,  
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**RIN:** 3245–AG89

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**377. SMALL BUSINESS SIZE STANDARDS: TRANSPORTATION AND WAREHOUSING;  
INFORMATION; FINANCE AND INSURANCE; REAL ESTATE AND RENTAL AND LEASING**

**EO 13771 Designation:** Other

**Legal Authority:** 15 U.S.C. 632(a)

**Abstract:** The Small Business Jobs Act of 2010 (Jobs Act) requires SBA to conduct every five years a detailed review of all size standards and to make appropriate adjustments to reflect market conditions. As part of the second five-year review of size standards under the Jobs Act, in this proposed rule, SBA will evaluate each industry that has a receipts-based standard in North American Industry Classification System (NAICS) Sector 48-49 (Transportation and Warehousing), Sector 51 (Information), Sector 52 (Finance and Insurance), and Sector 53 (Real Estate and Rental and Leasing) and make necessary adjustments to size standards in these sectors. This is one of a series of proposed rules that will examine groups of NAICS sectors. SBA will apply its Size Standards Methodology to this proposed rule.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/18	

**Regulatory Flexibility Analysis Required:** Yes

**Agency Contact:** Dr. Khem Raj Sharma, Chief, Office of Size Standards, Small Business Administration,  
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**RIN:** 3245–AG90

**378. SMALL BUSINESS SIZE STANDARDS: PROFESSIONAL, SCIENTIFIC AND TECHNICAL SERVICES; MANAGEMENT OF COMPANIES AND ENTERPRISES; ADMINISTRATIVE AND SUPPORT, WASTE MANAGEMENT AND REMEDIATION SERVICES**

**EO 13771 Designation:** Other

**Legal Authority:** 15 U.S.C. 632(a)

**Abstract:** The Small Business Jobs Act of 2010 (Jobs Act) requires SBA to conduct every five years a detailed review of all size standards and to make appropriate adjustments to reflect market conditions. As part of the second five-year review of size standards under the Jobs Act, in this proposed rule, SBA will evaluate each industry that has a receipts-based standard in North American Industry Classification System (NAICS) Sector 54 (Professional, Scientific and Technical Services), Sector 55 (Management of Companies and Enterprises), and Sector 56 (Administrative and Support, Waste Management and Remediation Services) and make necessary adjustments to size standards in these sectors. This is one of a series of proposed rules that will examine groups of NAICS sectors. SBA will apply its Size Standards Methodology to this proposed rule.

**Timetable:**

Action	Date	FR Cite
NPRM	12/00/18	

**Regulatory Flexibility Analysis Required:** Yes

**Agency Contact:** Dr. Khem Raj Sharma, Chief, Office of Size Standards, Small Business Administration,  
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**379. STREAMLINING AND MODERNIZING CERTIFIED DEVELOPMENT COMPANY PROGRAM (504 LOAN PROGRAM) CORPORATE GOVERNANCE REQUIREMENTS**

**EO 13771 Designation:** Other

**Legal Authority:** 15 U.S.C. 695 et seq.

**Abstract:** SBA is proposing to simplify, streamline, and update SBA’s regulations relating to CDC operational and organizational requirements in order to improve efficiencies and achieve costs savings without compromising performance in the 504 Loan Program. The proposed changes include lowering the number of directors required for the CDC’s Board; clarifying that members of the Board must live or work in the CDC’s Area of Operations; eliminating the requirement that one Board member represent the economic, community or workforce development fields; eliminating the requirement that limits the number of Board members in the commercial lending field to less than 50 percent of the Board; increasing the 504 loan portfolio balance above which each CDC must have its financial statements audited annually by a certified public accountant, resulting in increased savings to CDCs without creating undue risk; eliminating the requirement that a Multi-State CDC establish a Loan Committee in each State into which it expands; allowing a CDC to make a 504 loan outside its Area of Operation to an affiliate of a business that the CDC previously assisted; allowing CDCs that participate in the Premier Certified Lenders Program to base the balance it is required to maintain in its Loan Loss Reserve Fund on a declining balance methodology instead of the original principal amount; and allowing CDCs to provide greater assistance to each other than currently authorized under certain circumstances.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/18	

**Regulatory Flexibility Analysis Required: Yes**

**Agency Contact:** Linda Reilly, Chief, 504 Loan Program, Small Business Administration, 409 Third Street SW, Washington, DC 20416

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**RIN:** 3245-AG97

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**380. STREAMLINING AND MODERNIZING THE 7(A), MICROLOAN, AND 504 LOAN PROGRAMS TO REDUCE UNNECESSARY REGULATORY BURDEN**

**EO 13771 Designation:** Other

**Legal Authority:** 15 U.S.C. 636(a); 15 U.S.C. 636(m); 15 U.S.C. 695 et seq.

**Abstract:** SBA is proposing to streamline the regulations in part 120 of chapter 13 of the Code of Federal Regulations that apply to the 7(a), Microloan, and 504 Loan Programs by eliminating the provisions that are obsolete, ineffective or unnecessary. The proposed changes include removing regulations related to programs that are either no longer in effect or have not been funded for many years, such as America's Recovery Capital Loan Program, direct loans, or a veteran's loan program; and clarifying the factors that SBA will consider when seeking the appointment of a receiver and the scope of the receivership with respect to Certified Development Companies, Small Business Lending Companies, and Non-Federally Regulated Lenders.

**Timetable:**

Action	Date	FR Cite
NPRM	11/00/18	

**Regulatory Flexibility Analysis Required:** Yes

**Agency Contact:** Linda Reilly, Chief, 504 Loan Program, Small Business Administration, 409 Third Street SW, Washington, DC 20416

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**RIN:** 3245-AG98

Small Business Administration (SBA)	Final Rule Stage

**381. SMALL BUSINESS TIMBER SET-ASIDE PROGRAM**

**EO 13771 Designation:** Other

**Legal Authority:** 15 U.S.C. 631; 15 U.S.C. 644(a)

**Abstract:** The U.S. Small Business Administration (SBA or Agency) is amending its Small Business Timber Set-Aside Program (the Program) regulations. The Small Business Timber Set-Aside Program is rooted in the Small Business Act, which tasked SBA with ensuring that small businesses receive a fair proportion of the total sales of government property. Accordingly, the Program requires Timber sales to be set aside for small business when small business participation falls below a certain amount. SBA considered comments received during the Advance Notice of Proposed Rulemaking and Notice of Proposed Rulemaking processes, including on issues such as, but not limited to, whether the saw timber volume purchased through stewardship timber contracts should be included in calculations, and whether the appraisal point used in set-aside sales should be the nearest small business mill. In addition, SBA is

considering data from the timber industry to help evaluate the current program and economic impact of potential changes.

**Timetable:**

Action	Date	FR Cite
ANPRM	03/25/15	80 FR 15697
ANPRM Comment Period End	05/26/15	
NPRM	09/27/16	81 FR 66199
NPRM Comment Period End	11/28/16	
Final Rule	07/00/19	

**Regulatory Flexibility Analysis Required:** Yes

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**RIN:** 3245-AG69

Small Business Administration (SBA)	Completed Actions



## **382. OWNERSHIP AND CONTROL OF SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS CONCERNS**

**EO 13771 Designation:** Other

**Legal Authority:** Pub. L. 114–328, sec. 1832, sec. 1835

**Abstract:** Section 1832 of the National Defense Authorization Act for Fiscal Year 2017 (NDAA), Public Law 114-328, Dec. 23, 2016, provides for a government-wide, uniform definition of a small business concern owned and controlled by a service-disabled veteran. Section 1835 requires the Small Business Administration (SBA) and the Department of Veterans Affairs (VA) to issue guidance, not later than 180 days after the date of enactment of the NDAA of 2017. The rule will amend SBA's regulations to create a uniform definition of a small business owned and controlled by a service-disabled veteran to be used for purposes of eligibility for government procurements by agencies other than the VA under the authority of 15 U.S.C. 657f, and by the VA for VA procurements in accordance with 38 U.S.C. 8127. These changes will include addressing ownership by an employee stock ownership plan (ESOP) and ownership and control by a surviving spouse.

### **Completed:**

<b>Reason</b>	<b>Date</b>	<b>FR Cite</b>
Final Rule	09/28/18	83 FR 48908
Final Rule Effective	10/01/18	

**Regulatory Flexibility Analysis Required:** Yes

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**RIN:** 3245-AG85

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